

# TENNESSEE REGULATORY AUTHORITY



Deborah Taylor Tate, Chairman  
Pat Miller, Director  
Sara Kyle, Director  
Ron Jones, Director

460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

April 2, 2004

Mr. William Geary, Jr.  
Carlsberg Management Company  
6171 West Century Blvd.  
Suite # 100  
Los Angeles, CA 90045

RE: DOCKET No. 04-00044 - APPLICATION OF HICKORY STAR WATER COMPANY  
TO INCREASE ITS RATES.

Dear Mr. Geary:

In order to assist our efforts in conducting an investigation into the petition filed on the behalf of Hickory Star Water Company, further information is needed. Please respond to the items listed below. Your response must be received by the Authority no later than April 16, 2004.

75. Refer to Company Exhibit No. 1. Provide a schedule in Excel format showing the Company's customers and sales volumes by month for 2002 and 2003 that ties to each revenue classification.
76. Provide a schedule in Excel format that shows (by customers and volumes) how much total revenue the Company will receive by adopting the proposed changes in rates as shown in Company Exhibit No. 4.
77. Refer to Company Exhibit No. 1. Provide the invoices supporting the \$25,821.38 and \$39,521.56 in water purchases for 2003 and 2002, respectively.
78. Refer to Company Exhibit No. 1. Provide the invoices supporting the \$14,469.00 and \$16,633.45 in sewer treatment expenses for 2003 and 2002, respectively.
79. Refer to Company Exhibit No. 1. Provide the invoices supporting the \$598.88 in chemical expenses incurred during 2003.

80. Refer to Company Exhibit No. 1. Provide the invoices supporting the \$10,642.28 and \$15,860.21 in sewer treatment expenses for 2003 and 2002, respectively.
81. Refer to Company Exhibit No. 1. Provide supporting invoices for the \$10,642.28 and \$15,860.21 in maintenance and repair expenses. Also, provide a schedule in paper and Excel format breaking down these expenses by NARUC (National Association of Regulatory Utility Commissioners) account number for Class "C" utilities.
82. Refer to Company Exhibit No. 1. Provide a schedule that shows the calculation of depreciation expense of \$27,026.01 and \$19,127.83 for 2003 and 2002, respectively. Also, show the monthly calculation of accumulated depreciation. In, addition, provide the amount of Plant in Service by month beginning in January 2003 and extending through December 2003.
83. Provide the insurance expense invoices that support the \$296.32 as shown in Company Exhibit No. 1.
84. Provide the income tax returns that support the \$202.00 and \$1,394.00 as shown in Company Exhibit No. 1. Also explain why the Company has income tax expense for the years 2002 and 2003 when it reported losses for both of those years.
85. Refer to Company Exhibit No. 1. Provide supporting invoices for the \$1,560.86 and \$2,230.41 in management fees for 2003 and 2002, respectively. Also, provide an explanation as how these fees are calculated.
86. Refer to Company Exhibit No. 1. Provide supporting invoices for the \$2,380.60 and \$1,314.78 in professional fees for 2003 and 2002, respectively. Also, provide a description of the nature and benefit of these fees.
87. Refer to Company Exhibit No. 1. Provide supporting invoices for the \$1,008.72 and \$1,032.56 in taxes and licenses for 2003 and 2002, respectively.
88. Refer to Company Exhibit No. 1. Provide supporting invoices for the \$988.87 in travel expenses for 2003.
89. Refer to Company Exhibit No. 1. Provide supporting invoices for the \$202.41 in administrative expenses for 2002.
90. Refer to Company Exhibit No. 1. Provide supporting invoices for the \$48.00 in interest expenses for 2002. In addition, provide a schedule showing the Company's total debt and applicable interest rate for the years 2003 and 2002 that supports this interest expense.

If you have any question regarding this request, you may contact me at (615) 741-2904, ext. # 183.

Sincerely,

A handwritten signature in cursive script that reads "Butch Phillips".

Butch Phillips  
Utility Rate Specialist III  
Energy and Water Division

cep04-36huckorystardatarequest